

11 August 1944

MEMORANDUM:

Subject: Organization of an Intelligence System.

I. Discussion.

1. Defects in Intelligence Organization.

a. The American intelligence system is an agglomeration of uncoordinated services developed without national plan. It is wasteful in manpower, money and energy. The absence of definition of responsibilities assigned to the numerous component agencies results in duplication, delays and inter-agency friction.

b. For certain critical wartime requirements and urgent post-war intelligence needs, the existing organization is inadequate. Repeated improvisation by means of ad hoc committees, sub-committees and boards is necessary to meet imperative joint or combined intelligence demands.

c. In general, American intelligence on the strategic level is fragmentary and inconclusive since it lacks a focal service to bring together and analyse all intelligence material and reach definitive conclusions after consideration of all factors affecting broad strategic problems.

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d. The immediate and long range problems posed by the imminence of peace in Europe cannot be solved by information based on haphazard intelligence methods. In peace as well as in war, the absence of an integrated intelligence system leaves national interests exposed to chance -- or to dependence upon the intelligence facilities of our British ally.

2. Suggested Intelligence System.

The requisites of an intelligence system appropriate to American responsibilities in war, post-war and peace are: a policy-making or planning directorate with authority to coordinate the activities of all government intelligence agencies; a focal operating intelligence service so organized and administered as to bring to bear upon broad strategic problems the most expert service and civilian talent; intelligence agencies in the various services and bureaus with functions restricted to appropriate needs of the several services and Bureaus.

The following are believed to be the fundamental composition, functions and characteristics of such an organization.

a. Central Directorate of Intelligence (CDI).

(1) A directorate of intelligence

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consisting of one authoritative representative each from the War, Navy and State Departments.*

(2) This directorate should be under the jurisdiction of the Joint Chiefs of Staff or, in the event of the establishment of a Department of Armed Forces, under the Chief of the General Staff of the Armed Forces.

(3) The chairman of the directorate should be an Army or Navy officer or State Department official designated by the President; the members should be designated by their respective department heads. The members from the Armed Forces should be officers other than the heads of the respective service intelligence agencies.

(4) The directorate establishes the policy for, coordinates and prescribes the functions of, all intelligence agencies of the Armed Forces; and recommends the relationship of these agencies with intelligence agencies of other government departments and bureaus.

* If a separate department of air should be established, there should be included a representative from that department on the directorate. In that event, throughout this paper the word "Air" should be included with any mention of the Army and Navy.

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(5) It formulates plans and directives assigning broad intelligence objectives.

For detailed characteristics, see Tab. A.

b. Central Intelligence Service (CIS).

(1) A Central Intelligence Service administered by an Army or Navy officer designated by the President and operating under the jurisdiction of the Joint Chiefs of Staff or, in the event of the establishment of a Department of Armed Forces, under the Chief of the General Staff of the Armed Forces.

(2) The Central Intelligence Service should be responsible for the assembly, analysis and distribution of intelligence studies essential to: decisions affecting joint or national strategy; the planning of joint operations; and, other than combat intelligence, the conduct of joint operations.

(3) More specifically the CIS should be responsible for those intelligence activities of common concern to all the armed services and, in some instances, of common national interest, such as:

(a) The assembly, research,

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analysis and distribution of information affecting
strategy in the following fields:

- Political
- Economic
- Geographic
- Scientific
- Psychological
- Sociological
- Biographical Records.

(b) The final analysis, preparation and the distribution of all joint intelligence (including military, naval and air) surveys, studies and estimates of over-all enemy capabilities and intentions.

(c) The exclusive operation of:
Espionage and counter-
espionage abroad, cryptographic analysis (policy and control); security control and deception.

(d) The training of key intelligence personnel to staff joint commands or joint intelligence projects.

For detailed characteristics, see Tab. B.

c. Service and Other Intelligence Agencies.

(1) Intelligence activities pertinent to their respective services and departments, other than those of common interest and specified as a responsibility of the CIS, shall remain a normal function of intelligence

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agencies of the several armed services and other government departments and bureaus.

(2) The activities of the service intelligence agencies should normally be restricted to the collection, evaluation, analysis and dissemination of enemy information pertinent peculiarly to the respective service, such as:

Tactics	Technical equipment
Strategy	Armament
Doctrine	Supply
Technique	Installations
Composition, strength and organization	Capabilities and intentions with respect to the particular branch of the Armed Forces.
Order of Battle	

(3) Incidental to the collection of military, naval and air intelligence indicated above, attaches and observers should collect such other types of information as may be prescribed by the CDI.

(4) The service intelligence agencies will train key intelligence personnel necessary to staff the commands and intelligence projects of their respective services.

(5) Service and other intelligence agencies should make available to the CIS intelligence of such nature and in such form as the CIS may require for its purpose.

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3. Provisional Central Intelligence Service
Permissible Without Legislation.

a. Pending effectuation of the complete Central Intelligence Service outlined in Par. 2, above, an approximation can be realized by administrative adjustment within existing authority.

b. Several essential components of the CIS are at present operative within the existing service intelligence agencies, and within the intelligence branches of OSS. In particular the Research and Analysis Branch, the Secret Intelligence Branch (Espionage), and the X-2 Branch (Counter-espionage) of OSS, were originally conceived precisely to provide strategic intelligence of common concern to all the armed forces. They are fully operative and enjoy budgetary support. By Executive Order dated 13 June 1942 they are subject to the jurisdiction of the Joint Chiefs of Staff.

c. By slight revision of JCS 115/11/D the appropriate strategic functions now being performed by the several service agencies and by the intelligence branches of OSS could be merged, thus effecting the transition to a centralized intelligence service (CIS) without new legislation. Wherever practicable, existing "joint" committees or agencies, in reality groups operating jointly, should be regularized as

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component operational units of the central service.

d. Some such steps become more imperative in view of the imminence of peace in Europe. In this event the civilian research talent assembled by the service agencies and by OSS in the field of strategic intelligence will be largely dispersed into civilian life. Moreover the painfully acquired experience in the development of espionage and counter-espionage should not be lost.

e. Regular Army and Navy officers and career foreign service officers should immediately be detailed to key positions in the intelligence branches of OSS to understand and guide the key civilian personnel with a view to carrying on their activities as a joint effort.

f. Selected civilians with outstanding qualifications, who are willing to remain in Government service, should be retained with suitable pay and emoluments.

4. Status of JIC if a Central Intelligence Service Were Created.

a. If Preliminary Step Suggested in Paragraph 3 Were Adopted.

(1) Authoritative central direction is absolutely essential to any effective intelligence system. At present no such direction exists other than rare intervention by the JCS. The JIC as a body has neither jurisdiction

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over intelligence planning nor coordination of service or other intelligence agencies, except as specifically directed by the JCS. The composition of the JIC and the nature of duties as its members prevent its exercising objectively and continuously the duties required.

(2) The most imperative need is the creation of the Central Directorate of Intelligence described in Paragraph 2a. Until such time as this may be possible, the JIC should be directed by the JCS to assume such of the responsibilities of the CDI as may be practicable and to recommend a gradual integration of the existing disparate agencies into a national system along functional lines as described in the foregoing paragraphs. Initially, the detailed steps suggested in Paragraph 3 should be studied and undertaken at an early date.

(3) As part of the gradual transformation, the Joint Intelligence Staff and its sub-committees (including the JISPB) should become an organic part of the central intelligence operating service. The existing staff, augmented by certain specialists if necessary, should continue its present functions which should gradually be enlarged to include the initiation, editing and review of important intelligence final products.

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b. If The Complete Intelligence System
Suggested in Paragraph 2 Were Created.

(1) The necessity for the JIC would cease, since all the duties now being performed by that body, and many additional ones, would be performed by an important operating unit within the CIS. Special provision should be made whereby the heads of the several service intelligence agencies would be furnished an opportunity to express their views on all intelligence studies or estimates prepared by the CIS involving their respective service interests.

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Characteristics of the
Central Directorate of
Intelligence.

1. As the name signifies, this group is the directing and coordinating agency with large powers to recommend policies and formulate objectives throughout the national field of intelligence. Only by constant supervision by such a body can existing duplication and overlapping functions be prevented. It is in effect a "general staff" for joint or national intelligence, and is authoritative in a staff sense.

2. Authoritative State Department representation on this body is necessary to insure that the mutual intelligence interests of that Department and the armed services are equally subserved. The State Department has primary interest in political research in war time as well as in peace. It has responsibilities for policy in the economic field. Secret intelligence derived from espionage and counter espionage is indispensable to certain operations of the State Department. Conversely, successful operation of espionage and counter-espionage is dependent upon State Department facilities.

3. The directorate is not an administrative or operating agency but should require full-time duty from its members.

4. In order to obviate administrative absorption demanded by operating intelligence agencies and inevitable bias in favor of their own agencies the members of the directorate should not be the heads of the respective service agencies.

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Characteristics
of the Central
Intelligence Service

1. Service personnel of exceptional competence in their respective fields should be detailed to the C.I.S. in proportion to the officer strengths of the services. The State Department should provide appropriate personnel on full-time duty to assist in administering research in the political field; in the administration of secret intelligence (espionage and counter-espionage); and in such other activities as the C.D.I. may recommend. Civilian experts and specialists in all appropriate fields should be used to fullest advantage.

2. An oath of loyalty to the interests of the C.I.S. as joint agency should be exacted of all service and civilian personnel while on duty therewith.

3. Specific legislative provisions should be sought to permit the employment of outstanding civilian talent under favorable conditions of pay, emoluments and terms of service in order to insure continued availability of requisite experts both during peace and war. Civil service regulations should not be applicable to such specialists.

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4. Provisions should be made for the rotation of expert civilian personnel in order to permit recurrent employment of the best available talent from academic, scientific and other specialized professions. These selected experts would bring their specialized abilities to government service and carry back to their institutions knowledge of the realities of official practice. In war they would constitute a large source of highly competent intelligence analysts on the strategic level.

5. Special regulations of uniform character for both service and State Department personnel should be provided to insure the availability of key intelligence personnel at critical times regardless of routine personnel regulations.

6. Expenditures for personnel (other than uniformed service and State Department) and other requirements should be provided in a special budget for the C.I.S. to be prepared by the Director, and approved by the C.D.I. for submission in the name of the J.C.S. or Chief of Staff of the armed services, as the case may be. The expenditures for the C.D.I. shall be included in this budget.

See general organization chart attached.

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ABSTRACT

This memorandum explains the defects and problems present in the intelligence organization OSS. The memorandum suggests the creation of a new intelligence system, Central Intelligence Service* (CIS) which would fall under the jurisdiction of the Joint Chiefs of Staff. The memorandum points out improvements in organization, such as centralization of intelligence collection into a single agency, and better quality of intelligence.

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